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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/665,769	09/20/2000	Christopher John Stokes	190-1463	8733

7590 11/06/2003

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EXAMINER

PATEL, JAGDISH

ART UNIT	PAPER NUMBER
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3624

DATE MAILED: 11/06/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application N .

Applicant(s)

09/665,769

STOKES, CHRISTOPHER JOHN

Examiner

Art Unit

JAGDISH N PATEL

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 20 September 2000.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-10 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-10 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☒ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☒ All b) ☐ Some * c) ☐ None of:
1. ☒ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) 3 and 1 6) ☐ Other: _____

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DETAILED ACTION

Claim Rejections - 35 USC § 112

1. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

2. Claim 7 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

The following deficiency renders the claim indefinite.

Steps (b) - (e) relate to the "options" recited in claim 1 as being specified by the user.

3. However, claim 1 recites as "computing repayments due over the term of the loan, based on the parameters and options entered by the user;", which does not relate to step (f) of claim 7. In other words, the limitation "repayment level" which is recited as function of a "goalseeking function" does not relate to either steps (a)-(e) or any limitation of parent claim. Therefore, step (f) renders claim 7 indefinite because it fails to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Appropriate correction is required.

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Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 1-6, 8-10 are rejected under 35 U.S.C. 103(a) as being unpatentable over Yoshino et al. (US Pat. 5,058,009) (hereafter referred to as Yoshioto) and further in view of existing mortgage lending practices and further in view of Weber, Dick; Nontraditional schedules keep interest from hitting the roof, Real Estate Today, v23, n1, p44(45) (hereafter referred to as Webber)

6. Regarding claim 1, Yoshioto teaches a computer-implemented method for modeling loans, the method comprising:

(a) enabling a user to enter parameters relevant to a loan, the parameters including loan amount and loan term;

[refer to Fig. 1 col. 2 , L 43 - 60 (1c) "PV" (1b) "i%"
"number of payments "n", refer to Fig. 3a and col. 3 L 52-68,
Loan Ammortization]

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(c) computing repayments over due over the term of the loan based on the parameters;

(d) visually displaying information indicating the repayments due over the term of the loan.

[refer to Figure 2, showing details of computing repayments and displays in Fig. 3B - 3F which show information indicating the repayments due over the terms of the loan]

Yoshioto, fails to teach "enabling the user to specify a number of options relevant to the loan as recited in claim 1. However, official notice is taken that a varieties of loan options have been practiced and have been well known in the finance and loan origination field of endeavor. The following are some of the exemplary loan options frequently used in loan repayment calculation. Growing-Equity Mortgage (GEM) A fixed-rate mortgage that provides scheduled payment increases over an established period of time. The increased amount of the monthly payment is applied directly toward reducing the remaining balance of the mortgage. 2/1 buy Down Mortgage The 2/1 Buy Down Mortgage allows the borrower to qualify at below market rates so they can borrow more. The initial starting interest rate increases by 1% at the end of the first year and adjusts again by another 1% at the end of the second year. It then remains at a fixed interest rate for the remainder of the loan term.

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Borrowers often refinance at the end of the second year to obtain the best long term rates, however even keeping the loan in place for three full years or more will keep their average interest rate in line with the original market conditions.

A mortgage with an interest rate that changes during the life of the loan according to movements in an index rate. Sometimes called AMLs (adjustable mortgage loans) or VRMs (variable-rate mortgages), Adjustable-Rate Mortgage (ARM) A mortgage with an interest rate that changes during the life of the loan according to movements in an index rate. Sometimes called AMLs (adjustable mortgage loans) or VRMs (variable-rate mortgages). Weber teaches that there is need for determining a repayment terms based upon regularly increasing payments. Weber teaches that "there are several user friendly financial calculators on the market that can compute just about any scenario". Weber, specifically, teaches "regularly increasing payments", "increase ..monthly payment every year", "increase ..payment at selected intervals and periodically pay a lump sum on the principal" etc.

Furthermore Weber also teaches that " most buyers appreciate receiving about five different options to discuss with their financial consultant, ..increase monthly payment every year, and others may choose to increase their monthly payment at selected interval and periodically pay a lump sum on the

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principal..The amount and frequency of buyers' overpayment will determine how much interest they'll save and how much they'll shorten the mortgage term." (pp.1 and 2).

It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Yoshioto in view of Weber and further in view of well known finance practices as discussed above to have the user enabled to specify the listed options relevant to the loan, because this would allow the users to consider a variety of options in selecting loans which would meet their specific needs and requirements.

7. Claims 2 and 3 are inherent to any loan analysis scenario. In particular, as discussed in Weber reference, the "buyer" are presented with various options which causes a corresponding repayment due (amortization table) to be presented to the buyer and therefore it is obvious that the buyer would select (accept or reject). Yoshioto discloses a sequence of screens as discussed in claim 1 analysis which may be used by the user as appropriate.

8. Claim 4: ..step of enabling the user to select one of a number of interest rate options (this is indicated in Yoshioto by step A1, Fig. 2).

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9. Claim 5: the information indicating repayments due over the term of the loan is displayed in a visual representation..(refer to Figures 3A-3F which shows graphical display).

10. Claim 6: enabling the user to select one of the following options for display in each month over the terms of loan ..

..(refer to Figures 3A-3F which shows graphical display in light of the section "calculation on Loan Amortization" as display functions described in col. 3-6).

11. Claim 8-10 corresponds to method claims 1-6, Since the method is implemented on a computer as discussed in above paragraphs and references made of record.

Conclusion

12. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

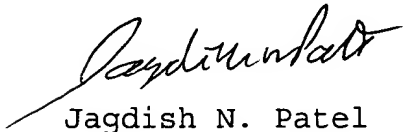
Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jagdish Patel whose telephone number is (703) 308-7837. The examiner can normally be reached Monday-Thursday from 8:00 AM to 6:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin, can be reached at (703) 308-1038. The fax number for Formal or Official faxes to Technology Center 3600 is (703) 305-7687. **Draft faxes may be submitted directly to the examiner at (703) 746-5563.**

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Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 308-1113 or 308-1114. Address for hand delivery is 2451 Crystal Drive, Crystal Park 5, 7th Floor, Alexandria VA 22202.



Jagdish N. Patel

(Examiner, AU 3624)

10/31/03